

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20278-0001

MARKET-DOMINANT PRICE CHANGE

Docket No. R2021-2

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
QUESTION 3 OF CHAIRMAN'S INFORMATION REQUEST NO. 6
(June 21, 2021)

The Postal Service hereby responds to Question No. 3 of Chairman's Information Request No. 6, issued on June 15, 2021. The question is stated verbatim and is followed by the response.

Respectfully submitted,
UNITED STATES POSTAL SERVICE

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SPECIAL SERVICES

3. In the Notice, the Postal Service describes proposed changes to the proration schedule for certain Address Management Services (*i.e.*, Delivery Point Validation (DPV), Delivery Sequence File (DSF²), Locatable Address Conversion System (LACS^{Link}), and National Change of Address (NCOA^{Link})). Notice at 28. Specifically, the Postal Service proposes to shift from a monthly to quarterly proration schedule for new licensees. *Id.* Please provide the Postal Service's rationale for this change.

Response:

The Postal Service is making this change to the proration schedule for these Address Management Services identified in Question 3 (*i.e.*, Delivery Point Validation (DPV), Delivery Sequence File (DSF²), Locatable Address Conversion System (LACS^{Link}), and National Change of Address (NCOA^{Link})) to reduce errors and improve the operational efficiency of the onboarding process for new licenses by simplifying accounting procedures. The complexity of the existing monthly proration schedule has at times complicated the billing process when payment is not received in the same period the license is initiated. For example, if payment is received after the license initiation date, the monthly prorated price would be different than the quoted price because the period would be different. By reducing the number of periods of proration, this change will minimize the possibility of similar occurrences in the future. This change will only impact new licenses that begin outside of the annual renewal cycle.